RANDOM HOUSE, INC.
201 EAST 50TH STREET, NEW YORK, N.Y. 10022
TELEPHONE 212 751-2600

D R A F T - 4/7/80

AGREEMENT made this 11 day of April 1980 by and between Random House, Inc. (Random) a New York Corporation of 201 East 50th Street, New York, New York 10022 and POINT FOUNDATION (Publisher) a California non-profit corporation of P.O. Box 428 Sansalito, California 94965.

1. Publisher hereby appoints Random as the exclusive distributor throughout the world of The Next Whole Earth Catalog (the work) upon the terms set forth herein, and Random accepts such appointment.

2. On or before August 31, 1980 Publisher will deliver to Random negatives, of a quality, and form, acceptable to Random. The work shall consist of 608 pages in soft cover format, 11 X 14¼ inches, and the aforesaid negatives shall be suitable for production. The copyright page will include the following legend:

> Distributed by Random House, Inc.
> and in Canada by Random House
> of Canada Limited

3. Random will arrange for the printing of the work in quantities to be determined by Random after consultation with Publisher and initially will pay 100% of the costs of paper, printing, binding and shipment to Random's distribution center for each printing. All of such costs

shall be advances against all sums payable to Publisher by Random hereunder. Title to all copies of the work shall remain in Publisher and Random shall assume the risk of loss of or damage to such copies while they are in Random's custody.

4. Random at its expense will perform the services of selling, billing, warehousing, shipping, collecting and return handling and all other appropriate customer services for distribution of the work. Distribution will be through Random's normal trade distribution channels and Random's mass-market paperback distribution channels will not be utilized. The cover price will be determined solely by Publisher. Random will include the work in its order forms, and will, at its expense, prepare and distribute a promotional publicity kit, but will not otherwise be obligated to advertise or promote the work. The kit material will be subject to Publisher's approval, not unreasonably to be withheld, and Random will use reasonable efforts to optimize the distribution of the kit and subsequent promotion and publicity for the work. Random will at its expense make members of its advertising and promotional staffs available for consultation with Publisher but, except as provided above, all expenses associated with the advertising, publicity and promotion of the work shall be borne by Publisher.

5. Random shall have the exclusive right during the term of this agreement to license (with the consent of Publisher which shall not unreasonably be withheld) the following subsidiary rights in the work and shall retain the indicated percentages of the receipts under such licenses:

(a) Book club - 50%

(b) Foreign language edition - 25%

(c) Periodical publication prior to book publication - 10%

(d) Periodical publication after book publication - 10%

6. Random will render quarterly statements of account to Publisher within 45 days after the end of each calendar quarter, together with checks equal to Publisher's share of any subsidiary rights receipts plus Random's gross billings from sales of the work (less any prepaid transportation, taxes and insurance included in gross billings) and less the following:

(a) Paper, printing and binding costs on a per unit shipped basis.

(b) Credits for actual returns.

(c) A reserve for returns equal to 15% of gross billings (less any prepaid transportation and taxes included in gross billings), any unused portion of which shall be reversed at the end of each succeeding accounting period, subject to paragraph 12, below.

(d) Interest, commencing on the first day of the quarterly accounting period commencing after the first major shipments of the work, at the Chase Manhattan Bank N.V. prime rate plus one percentage point on the average daily unrecouped balance of all sums advanced pursuant to paragraph 3, above.

(e) Random's distribution fees as provided in paragraph 7, below.

(f) Random's handling fees as provided in paragraph 10, below.

(g) Freight costs from printers and binders to Random's warehouse.

7. Random will receive distribution fees equal to (i) 22½% of gross billings from sales of the work (exclusive of any prepaid transportation, taxes and insurance included in such gross billings) and (ii) 10% of credits for cumulative copies returned in excess of 15% of the cumulative number of copies sold.

8. Any unrecouped portion of sums advanced by Random pursuant to paragraph 3, above, shall be paid by Publisher to Random within 45 days after the end of any semi-annual period in which net sales of the Work are less than 20,000 copies.

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9. Publisher may have Random's books and records relating to the manufacture, sales, returns and licensing of the work audited at its expense by its independent public accountants, but not more frequently than annually.

Any underpayments determined as a result of any such audits shall be paid promptly, together with interest thereon at the Chase Manhattan Bank N.V. prime interest rate plus one percentage point from the date on which the payment should have been made.

10. Publisher is authorized to make direct-mail sales of the work and all expenses incurred by Publisher in connection with such sales will be borne by Publisher and all fulfillment will be performed by Publisher. Upon written request by Publisher, Random will ship to the Publisher, or to such location as Publisher designates, f.o.b. bindery , such quantities of the work, as Publisher may specify. Random will receive a handling fee of .75¢ for each copy shipped to the Publisher pursuant to this paragraph.

11. Publisher warrants that it has full power to enter into this agreement, that the works do not violate the right of privacy of any person, are not libelous or obscene and do not infringe the statutory or common-law copyright, trademark or any other right of any third party, and that no recipe, formula or instruction in the works will be injurious to the user. If claims are asserted against Random inconsistent with the foregoing, Random may defend them by counsel of its choice, and Publisher will indemnify and hold harmless Random and any seller of the works from any claim, demand, suit, action, prosecution, proceeding, damage

or judgment based upon the sale and distribution of the works in accordance with this agreement, including all expenses, court costs, reasonable attorneys' fees, amounts paid in settlement and all other liabilities suffered or incurred in connection therewith. Random may not settle any claim without the prior consent of Publisher, which shall not be unreasonably withheld. Publisher may at its expense, participate in the defense of any such claim through counsel of its choice.

12. The term of this agreement shall commence on the date hereof and shall continue until terminated by either party by 90 days written notice delivered not sooner than October 1, 1982; provided, however, that the Publisher may not terminate this agreement until all amounts advanced by Random pursuant to paragraph 3, above, together with interest thereon as herein provided, are recouped or repaid. Promptly after termination Publisher will remove its inventory of the work from Random's warehouse and will accept and administer all subsequent returns and credits. Random shall retain any unused portion of the reserve established pursuant to subparagraph 6(c), above, for 3 full accounting periods after termination. If credits for returns during that period exceed the reserve Publisher will promptly reimburse Random therefor.

13. All sums payable hereunder by Random or by Publisher that are not paid when due shall bear interest from the due date until paid at the Chase Manhattan Bank N.V. prime interest rate plus one percentage point.

14. All rights in respect of the work not expressly granted hereby are reserved to Publisher.

15. This is the entire agreement of the parties concerning the subject matter hereof and shall be governed by New York law. No modification or waiver of any provision herein will be valid unless in writing and signed by both parties.

IN WITNESS WHEREOF, the parties have placed their hands the day and year first above written.

RANDOM HOUSE, INC.

By _____

POINT FOUNDATION

By _____

Stewart Brand